The State of Utah

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Inspection Report

Representatives Present During the Inspection:	
Company	Dan Meadors General Manager
OGM	Steve Demczak Environmental Scientist III
OGM	Gregg Galecki Environmental Scientist III
OGM	Priscilla Burton Environmental Scientist III
Company	Chris D. Hansen
OGM	Jerriann Ernstsen Environmental Scientist II

Permit Number:	C0070005
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, August 11, 2004
Start Date/Time:	8/11/2004 9:00:00 AM
End Date/Time:	8/11/2004 12:00:00 PM
Last Inspection:	Thursday, July 29, 2004

Inspector: Steve Demczak, Environmental Scientist III

Weather: Warm, 70's, Sunny

InspectionID Report Number: 363

Accepted by: pgrubaug OK
9/21/2004

Permitee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SKYLINE MINE**
Address: **HC 35 BOX 380, HELPER UT 84526**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

10,374.00	**Total Permitted**
79.12	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ **Federal**
- ☐ **State**
- ☐ **County**
- ☐ **Fee**
- ☐ **Other**

Types of Operations

- ☑ **Underground**
- ☐ **Surface**
- ☐ **Loadout**
- ☐ **Processing**
- ☐ **Reprocessing**

Report summary and status for pending enforcement actions, permit conditions, Divison Orders, and amendments:

Permit Conditions:
1) Submit Water Monitoring data in electronic format to the Division.
2) Canyon Fuel Co. must submit all existing studies and data for the update of the PHC as a result of the mine inflows.
3) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.
4) Canyon Fuel Co. must have a qualified person compile and analyze past macroinvertebrate studies on Eccles Creek into one report.
5) Canyon Fuel Co. must initiate an update to and further evaluation of the Hydrologic and Channel-Stability Evaluation of Eccles and Mud Creek.

The permittee is meeting these permit conditions.

Outstanding Violations- None

Inspector's Signature Stephen J Demczak **Date** Friday, August 13, 2004

Steve Demczak, Environmental Scientist III
Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. *Substantiate the elements on this inspection by checking the appropriate performance standard.*
   a. *For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.*
   b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.*
3. *Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.*
4. *Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	☐	☐	☐	☐
2. Signs and Markers	☐	☐	☐	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☐	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☐	☐	☐	☐
5. Explosives	☐	☐	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☐	☐	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☐	☑	☐
8. Noncoal Waste	☑	☐	☑	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☐	☐	☐	☐
10. Slides and Other Damage	☐	☐	☐	☐
11. Contemporaneous Reclamation	☐	☐	☐	☐
12. Backfilling And Grading	☑	☐	☑	☐
13. Revegetation	☑	☐	☑	☐
14. Subsidence Control	☐	☐	☐	☐
15. Cessation of Operations	☐	☐	☐	☐
16.a Roads: Construction, Maintenance, Surfacing	☐	☐	☐	☐
16.b Roads: Drainage Controls	☐	☐	☐	☐
17. Other Transportation Facilities	☐	☐	☐	☐
18. Support Facilities, Utility Installations	☐	☐	☐	☐
19. AVS Check	☐	☐	☐	☐
20. Air Quality Permit	☐	☐	☐	☐
21. Bonding and Insurance	☐	☐	☐	☐
22. Other	☑	☐	☑	☐

3. Topsoil

The topsoil pile at the mine site had a couple of sheep grazing on the pile. I told the permittee to remove the sheep from the pile. Incidental grazing to the topsoil pile would not harm the pile, but, continuous grazing would harm the topsoil pile. The topsoil pile has been well established with vegetation for several years.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked throughout the property. They would perform to R645 Coal Rules standards. Several diversions had been cleaned out since the last inspection.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment ponds were inspected with no hazardous conditions noticed during the inspection. The waste rock sediment pond was dry.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of taking third quarter water samples. The sampling will be completed by the end of the third quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse pile was inspected. No new material was placed on the pile. I did not see any hazardous conditions during my inspection. Several thistle plants were growing on the slopes of the refuse pile. Permttee will remove these plants from the pile.

8. Noncoal Waste

The mining site was clear of non-coal waste material. The permittee has scheduled a salvage company to remove unwanted steel material from the mine site.

12. Backfilling And Grading

The portal area was stable with no signs of surface cracks. However, one small area did have a little slump. Vegetation was growing within the slumped area. All agreed that this was not a major failure that required additional work. The permittee will plant aspen trees in this area for stabilization.

13. Revegetation

The Division, US Forest Service, BLM, and the permittee met together to inspect the reclamation of the South Fork Portals. The reclamation had taken place in the fall of 2003. The portal area was grazed by sheep in the past week. The permittee and the US Forest Service will be working jointly on keeping sheep off of the reclamation area. There was vegetation on the slopes mostly barley with some grasses. The road to the portals were well vegetated for only one growing season. The pocking on the road did function as designed and vegetation was within the pocked marks.

22. Other

I conducted a two day inspection. On August 11, there was an inspection of the South Fork Portals and on August 19th was the inspection on the mine facilities.